

Defense Contract Management Command



DEFENSE CONTRACT MANAGEMENT COMMAND



DCMC-B/DCMC-O/DCMC-P Joint Workshop

IOA Results & Initiatives



**Commander's Conference
May 5, 1999**



XXI

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XXI

Agenda

IOA Overview

IOA Trends & Results

**Assessment Reporter Published
IOAs July - December, 1998**

DCMC-O/P Initiatives

**Performance Management
Policy Changes
Training and Tools**

**CAO COMMANDERS'
FEEDBACK**



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Internal Operations Assessment (IOA) What Is It?

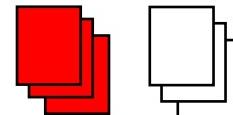
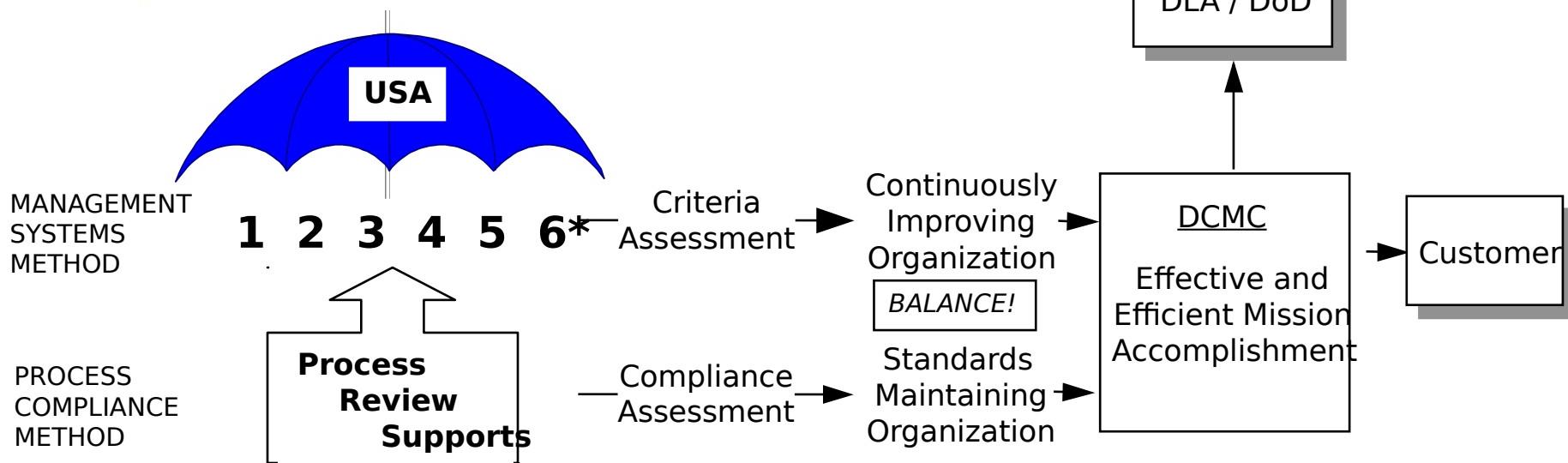
MISSION

- To provide the Commander, DCMC, and Agency Senior Leaders information that describes the management and operational system health status of the Command.
- IOA Report becomes a tool for continuous improvement.



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IOA Concepts



* Mission &
Administrative
Processes

Process review supports both compliance and management systems approaches to effectiveness.

Effective and efficient mission accomplishment ultimately leads to customer and sponsor satisfaction.



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IOA Results & Trends

Ten IOAs July - December, 1998

322 Observation Records

254 for One Book Requirements

68 for PIC

38% Condition Known

17% Plan Deployed

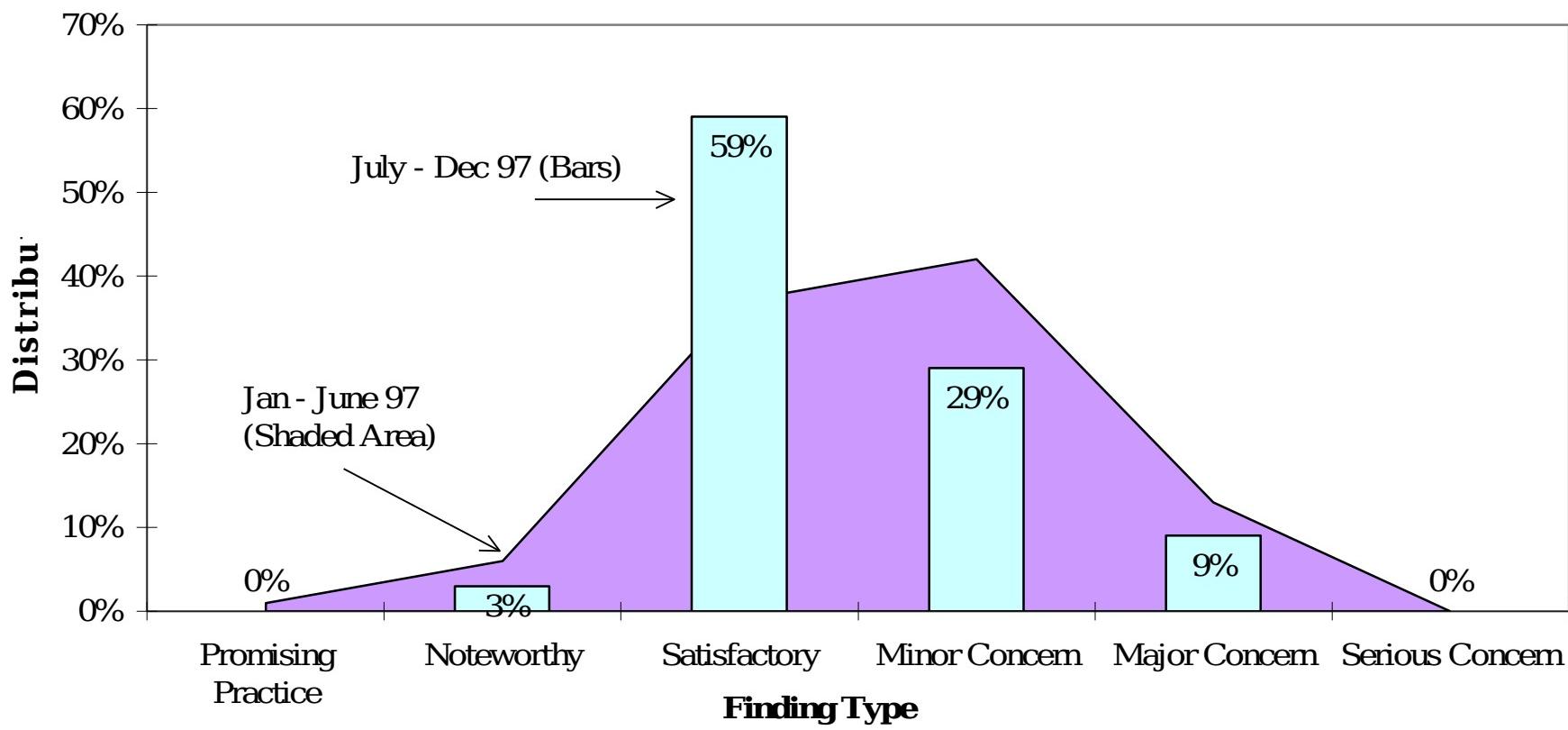
Many Bright Spots

Always Room for Improvement



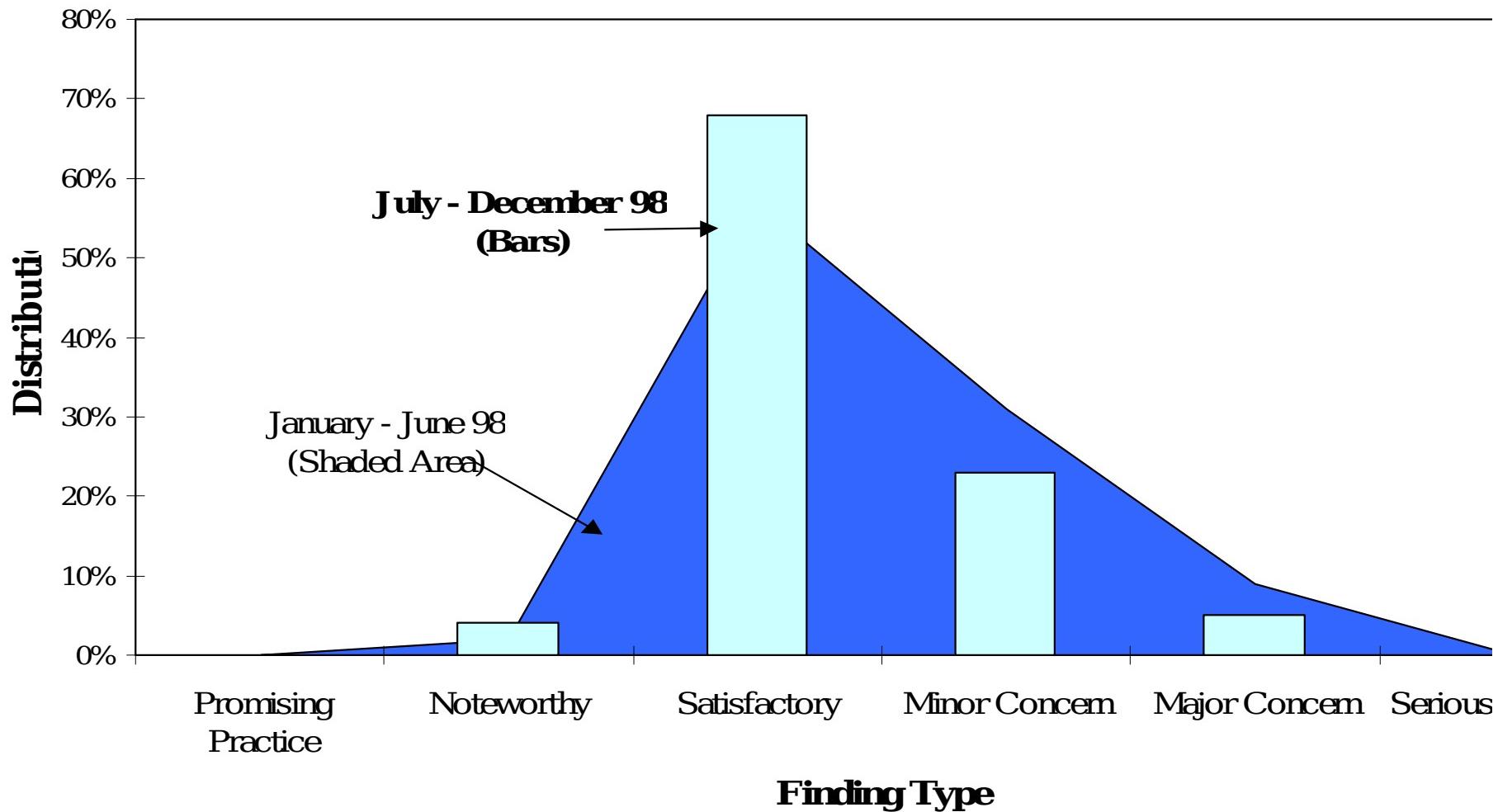
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1997 One Book Observations





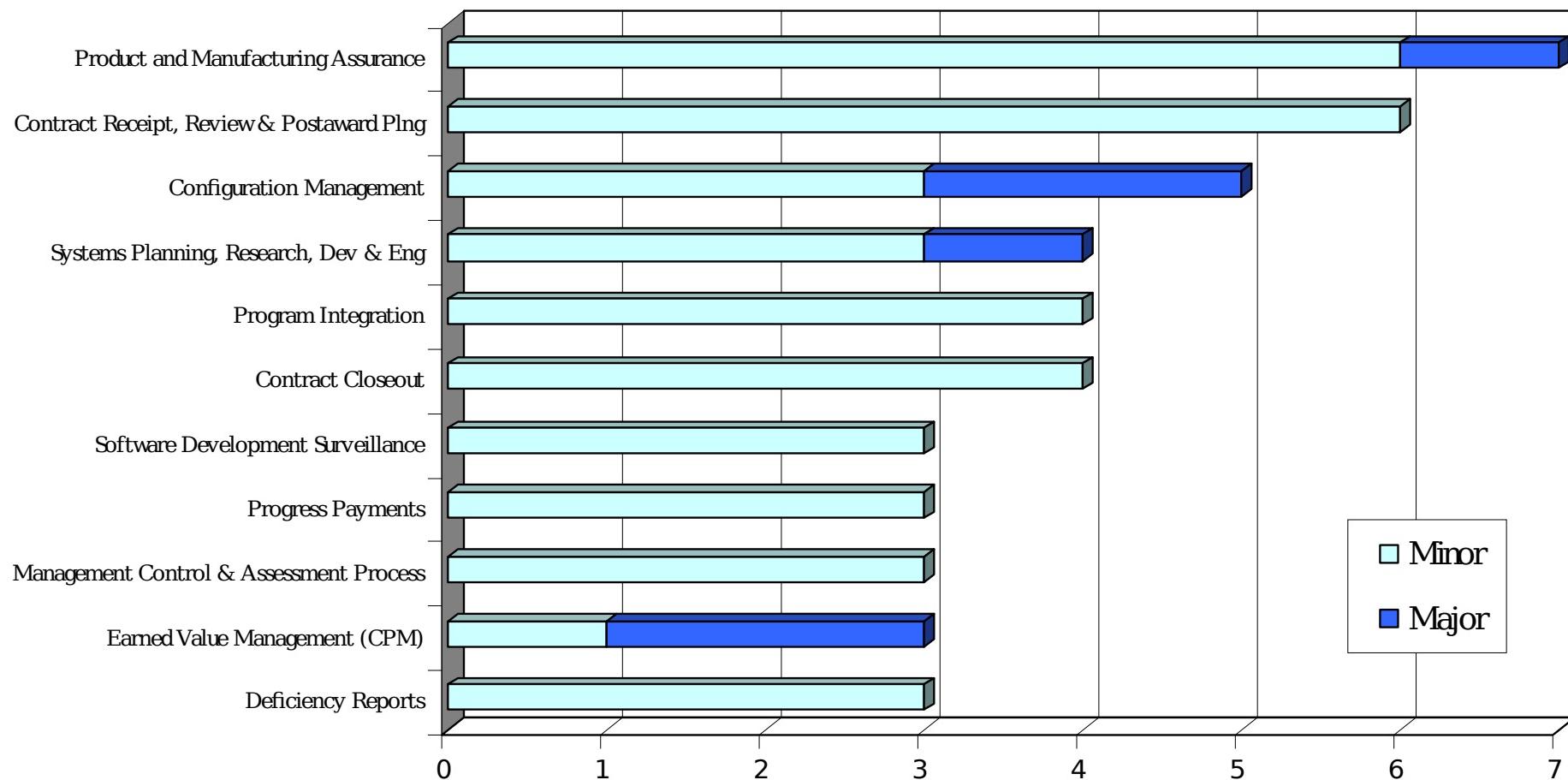
1998 One Book Observations





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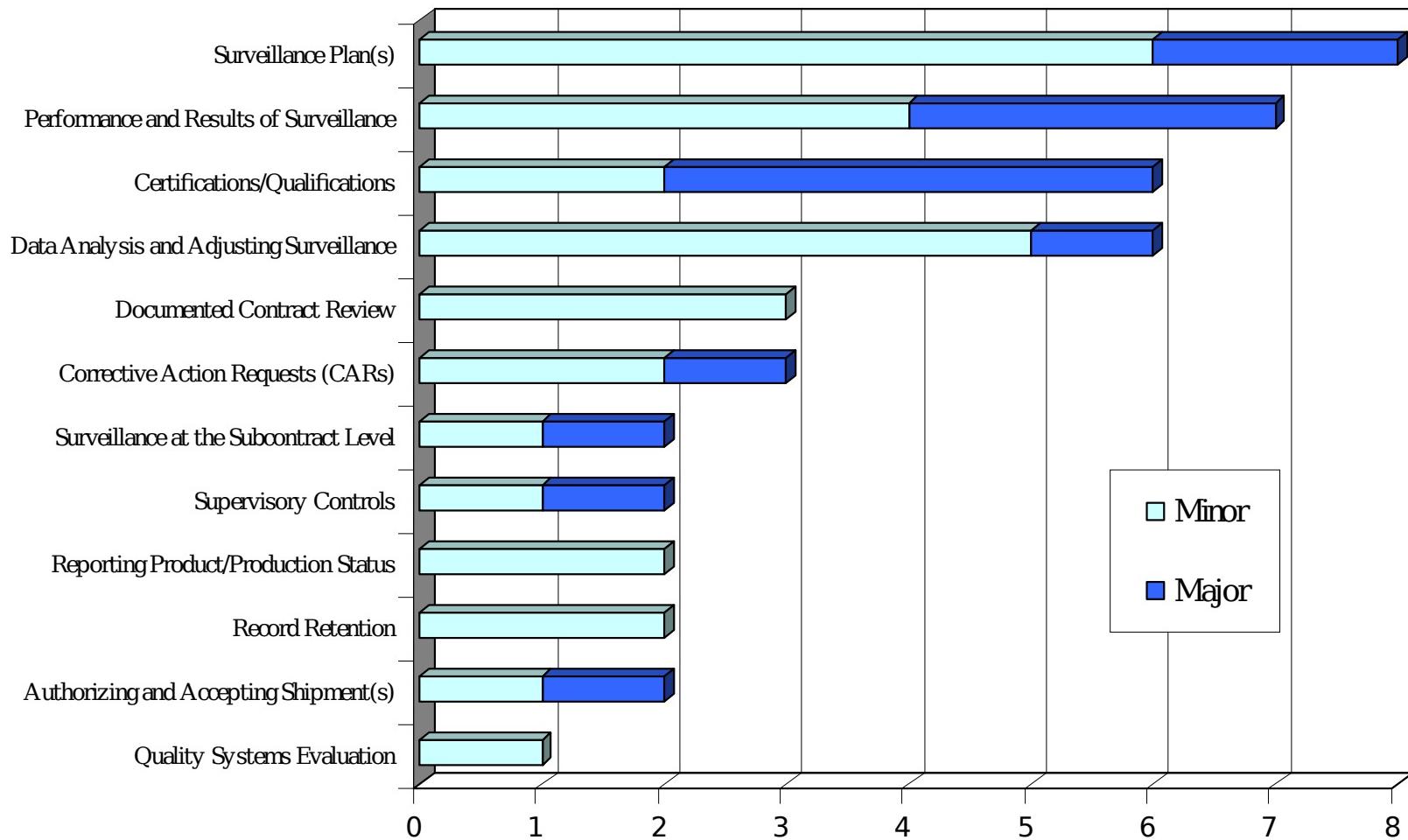
Jul-Dec 1998 One Book Concerns





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Jul-Dec 1998 P&MA Concerns





Jul-Dec 98 One Book Trends

Product and Manufacturing Assurance (2.2.1)

Surveillance Plans

- Lack of Critical Process/Risk Identification & Rationale
- Surveillance Techniques not ID (i.e. Process Proofing/Sampling)

Performance & Results of Surveillance

- Missing Customer Imposed Mandatory Surveillance Tasks
- Incomplete Execution of Planned Techniques
- Not Meeting LOD Imposed Reporting Requirements

Certification/Qualifications

- Not NDT Certified, but Accepting Product
- Improper Commodity/Specialized/DAWIA Certifications



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What We're Doing

Surveillance Plans

- Small group training with structured package by SFAs
- Workshop or one-on-one coaching by SFAs
- Special sessions for Team Leaders

Performance of Surveillance

- Split P&MA Chapter for better clarity of requirements
- Impromptu 'cubes' for analysis to focus remedial help
- Workshops and one-on-one coaching by SFAs

Certifications/ Qualifications

- Complete re-engineering of competency matrices
- Complete overhaul of certification/recertification process

Data Analysis & Adjusting Surveillance

- Team Lead workshops by SFAs
- Web based analysis tools



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Jul-Dec 98 One Book Trends

Contract Receipt, Review and Postaward Planning (6.1.1)

No Documentation of Multi-Functional Reviews

MOCAS Abstracts not in Contract Files

MOCAS Abstracts not Compared to Contract

Lack of Customer Notification Letters

**DLA Form 1533 (Postaward Orientation
Determination) not Used**

Inadequate Postaward Documentation



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What We're Doing

Multi-Functional Review of Contracts

Upfront and Early Identification and Correction of Problem Areas

DD1533s Signed by Team Leaders to Affirm Integrated Review

Distribution of Contract Within the CAO (Five copies received per FAR and DFAR)

Correction of Abstracts and Update of MOCAS at Point of Review

Integrated Surveillance Plans Should be Done Upon Contract Receipt

Proposal to Automate the Customer Notification Of Contract Receipt and Team Assignment

Updating Post Award Conference Guidebook



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One Book Trends

Configuration Management (2.3.1)

No Surveillance by Geographic CAO at Major Aircraft Support Programs

No Surveillance at Plant CAO on Major Engine Program

Incomplete Utilization of ACTS for Coordination of Commercial & Tracking Configuration Changes

Outdated or Inadequate Surveillance Planning



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What We're Doing

No or Outdated Surveillance - performance issue - responsibility of supervisor & TAG
-Multi-functional Team Leader course

Incorporating appropriate level of detail and risk into Surveillance plan

- Supplier Risk Management One Book Chapter**
- Engineering Workshops (schedule: late FY99)**

Improving utilization of ACTS for coordination of comments & tracking configuration changes

- On-the-job Training Provided by SFAs**



One Book Trends

System Planning, Research, Development Engineering (2.1.1)

No Surveillance at Plant CAO on Major Engine Program

Surveillance Planning not Risk-Based

Surveillance Planning Lacking Details

Outdated Surveillance Planning



What We're Doing

- **No or Outdated Surveillance - performance issue - responsibility of supervisor & TAG**
 - **Multi-functional team leader course**
- **Improving Surveillance Planning to address risk**
 - **Supplier Risk Management One Book Chapter**
 - **Engineering Workshops (schedule: late FY 99)**
 - **Emphasis on Engineering Processes, Risk Handling, Etc.**
 - **Technical Performance Measures (TPMs)**



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One Book Trends

Program Integration (5.1.4)

Outdated Memoranda of Agreement (MOAs)

Inadequate/Nonexistent Surveillance Plans

- Did not Identify:
 - All Functional Requirements
 - Major/Critical Subcontracts
 - Customer Interest Items



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What We're Doing

MOAs:

- **Improve Currency by Linking MOA to Surveillance Planning Process**
- **Systems Changes for Increased Visibility and Tracking of Program Related Documentation:**
 - DIRAMS update (V5.0)**
 - Tasker 99-111 provides Interim Solution until V5.0 deployed**
 - IMPROPTU can be used to query DIRAMS PI Notes field to determine status and currency of documentation**

SURVEILLANCE PLANNING:

- **Surveillance Planning Guidebook Integrates PI with other functional areas; Expected Release Date August 09**



One Book Trends

Contract Closeout (4.8.2)

GOOD NEWS:

DCMC Cleveland & DCMC Boeing Canoga Park were Noteworthy!

CONCERNS:

Not Moving Contracts from Part A, Section 1 into Section 2

Large # of Contracts

- More than 6 mos Past Final Delivery Date
- Physically Complete
- \$0 Unliquidated Obligations
- Undefined Delivery Date ("U")



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What We're Doing

IOA Findings Being Reviewed at the Current “Contract Delinquency PAT”

Reengineering Contract Closeout for Paperless Initiatives

Teaming with DFAS on Reconciliation Initiatives and Prioritization

Keeping all Overage Reason Codes Current in MOCAS

Assisting DFAS as needed, on Part B closeouts

Utilizing new closeout tools (i.e. Quick Closeout Deviation, Real Time Rates) to expedite closeout cycle time.

Working with Customer Liaisons on Common Metrics for Closeout



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One Book Trends

Software Development Surveillance (2.1.3)

Software Professional Estimating and Collection System

(SPECS) Not Current

- New Code Counts
- Current Development Phase
- Software Activity Log Section

Plan Not Addressing Minimum Requirements

- Product or Process Audit Schedule
- Criteria for Risk Assessment
- Critical Processes
- Criteria for Adjusting Surveillance



What We're Doing

Improving Currency of SPECS

- Awareness program to enhance knowledge
- SPECS Workshop at the DCMC Software Symposium
- SPECS support network

Improving Plans to Address Minimum Requirements

- Software Process Evaluation Maturity Model
- Computer based training to enhance awareness
- Software surveillance based on the Software Capability Maturity Model



One Book Trends

Management Control and Assessment Process (6.2.5a)

GOOD NEWS: DCMC Hamilton Standard was NOTEWORTHY!

CONCERNS:

**Risk Assessments: No Adjustments for PBAM;
Administrative
Processes not Considered**

**Self Assessment Schedules: Not fully executed; Low
Number of or
Higher Risk Processes Not Scheduled for MCRs**

**Management Control Reviews (MCRs): No Follow-Up
Process;
Inconsistent with IOA Results; Low Numbers of MCRs
scheduled/completed often due to the reassignment of**



What We're Doing

DCMC-B/O/P working policy issues pertaining to developing a uniform approach for:

Risk Assessment

Risk Mitigation Strategies

Risk Management for the purposes of:

Planning

Budgeting

Contractor Oversight

Self-Assessment



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One Book Trends

Earned Value Management (4.6.1)

GOOD NEWS:
DCMC Canoga Park was NOTEWORTHY!

CONCERNS:
Not Performing System Surveillance
Outdated or Inadequate Plans
Monitor Not Taking Required Training



What We're Doing

- **Develop and implement strategy for improving DCMC EVMS maturity**
- **Develop and issue new EVMS One Book Policy and Guidebook**
- **Develop and implement an EVMS Training Matrix**
- **Improve understanding of Executive Agent Role**
- **Emphasize PST role in Program Analysis and Reporting**
- **Partner with industry to promote contractor ownership of EVMS**



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IOA Results and Initiative

Summary

CAOs that had developed strong processes for Leadership, Planning, & MCAP and had a strong TAG consistently exhibited good One Book execution and good IOA results.